

RHODE ISLAND INFRASTRUCTURE BANK
MEETING OF THE BOARD OF DIRECTORS

PUBLIC SESSION

December 21, 2015

A meeting of the Board of Directors of the Rhode Island Infrastructure Bank (“RIIB”) in public session was held on Monday, December 21, 2015 in the conference room of the RIIB, 235 Promenade Street, Suite 119, Providence, Rhode Island pursuant to a duly posted public notice of the meeting and notice given to all the Directors. The meeting was called to order by the Chair of the Board, Merrill Sherman, at approximately 3:00 p.m.

Directors present were: Chair Merrill Sherman, Lisa Ferrara, Scott Lajoie and Treasurer Seth Magaziner.

Directors absent were: Joshua Celeste.

Also present were Joseph Dewhirst, Interim Executive Director; Michael P. Larocque, Deputy Director, Michael Baer, Senior Advisor; Michael Pagliaro, Senior Accountant; Robin Hedges, Clean Water SRF Program Manager; Helen Terra, Road and Bridge Program/Compliance Manager; Marcelina Jackson, Administrative Assistant; Christopher Vitale and Stephanie Federico, Harrington & Vitale, RIIB Legal Counsel; Neal Pandozzi, Nixon Peabody, RIIB Bond Counsel; Maureen Gurghigian and Adam Krea, First Southwest Company, RIIB Financial Advisors, and Kelly Rogers, Treasurer’s Office.

Chair Sherman opened the meeting declaring a quorum. Next, the Chair addressed the first item on the Agenda: Review and consideration of the November 17, 2015 Board Meeting Minutes. No comments or amendments to the meeting minutes were requested.

Voted: A motion was made by Lisa Ferrara, seconded by Treasurer Magaziner that the meeting minutes from the November 17, 2015 Board meeting be accepted.

- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie, and Lisa Ferrara.
- Voting against the foregoing: None.

The Chair moved to **Item #2** of the Agenda: Presentation from Malcolm Grear re: new RIIB logo. Representatives from Malcolm Grear presented to the Bank Board a digital presentation including key words and graphics that they took into consideration in developing the Bank logo. Topography and color pallet were taken into consideration during design; representatives from Malcom Grear showed how the logo can be used on a website, through communications from the bank and other presentation points.

No vote was necessary for this agenda item.

The Chair moved to **Item #3:** Presentation from Sustainable Real Estate Solutions re: Commercial PACE (“C-PACE”) program. Joe Dewhirst began the conversation indicating that an RFP had been issued and after reviewing all bids and conducting interviews, the recommendation to the Board is to select Sustainable Real Estate Solutions (“SRS”) to serve as the program administrator for the C-PACE program. Brian McCarter, CEO of SRS, has been meeting with multiple representatives of the Bank to begin the work of implementation of C-PACE. The Chair then discussed the general outline and goals of the C-PACE program. Brian McCarter presented to the Board a brief overview including that C-PACE nationally is approximately four years old and is an emerging market. Necessities for a successful C-PACE program include having a strong state wide program, strong program structure to build confidence to property owners and mortgage holders, and multiple capital providers for an open market system. SRS has built a proprietary platform that will assist RIIB in determining the best projects for C-PACE. Success takes a combination of technology, staff and market education and outreach. C-PACE must also be repeatable and scalable. Brian represented that the current implementation schedule calls for a February launch for the C-PACE program website, outreach to the capital provider community and schedule/launch training to contractor community. By March SRS will do a soft public launch and will be working through the roll out of program procedures, rules and regulations in conjunction with RIIB staff and legal counsel, the Office of Energy Resources, and other community stakeholders.

Treasurer Magaziner applauded the pace at which everyone is working to roll the program out and pledged support to engage the municipalities to opt into the program. Legal Counsel Vitale noted that staff has been working with Treasurer’s office and other municipal representatives to address the concerns of the municipalities. He noted that the rules and regulations for C-PACE will need to go through the Administrative Procedures Act requirements, and that the State of Connecticut has already done over \$100 million dollars of C-PACE projects throughout the state.

No vote was necessary for this agenda item.

The Chair moved to **Item #4:** Review and consideration of a Professional Services Agreement with Sustainable Real Estate Solutions. Legal Counsel Vitale reviewed the terms of the proposed agreement, and recommended that the Board approve the agreement in form and substance, indicating that the Bank staff is still negotiating the Scope of Services and schedule of fees with SRS. He further noted that the staff is examining whether to recommend to the Board that the Bank pay some of the upfront development costs/fees of the program, which may be paid from US Department of Energy (USDOE) ARRA funds. USDOE will have to approve any such use of ARRA funds. Negotiations will also include what SRS will charge the building owner as a percentage of the project costs.

Voted: A motion was made by Lisa Ferrara, seconded by Scott Lajoie to approve the SRS contract moving forward and authorize the Executive Director to finalize and sign the contract with SRS with further authorized up to \$250,000 in initial development fees for the first two years. Any expenditures above \$250,000 will require additional board approval.

- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie, and Lisa Ferrara.
- Voting against the foregoing: None.

The Chair moved to **Item #5**: Review and consideration of the Bank's FY15 Single Audit presented by Cayer Caccia.

Cayer Caccia presented to the Board regarding the Bank's FY15 Single Audit. This audit is required for all federal programs with expenditures in excess of \$500,000 for FY 2015. The Bank has expended \$2,659,510 from the Drinking Water State Revolving Fund and \$7,155,948 from the Clean Water State Revolving Fund. Compliance was tested regarding activities allowed or not allowed, cash management, matching, earmarking, period of availability, program income, reporting, environmental reviews, binding commitments, fund establishment, loan repayments, fund earnings, use of funds, SRF as security for bonds and sub recipient monitoring. Cayer Caccia noted no instances of noncompliance

Voted: A motion was made by Lisa Ferrara, seconded by Scott Lajoie to accept the FY15 Single Audit as presented.

- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie, and Lisa Ferrara.
- Voting against the foregoing: None.

The Chair moved to **Item #6**: Review and consideration of the Bank's September 2015, Financial Statements.

Mike Larocque reviewed the Revenue and Expense Report for the RI Infrastructure Bank for the three months ended September 30, 2015, the Balance Sheet for the Bank as of September 30, 2015 as well as Liabilities and Fund Balance.

Voted: A motion was made by Scott Lajoie, seconded by Lisa Ferrara to accept the Bank's Financial Statement for the three month period ended September 30, 2015.

- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie, and Lisa Ferrara.
- Voting against the foregoing: none.

The Chair moved to **Item #7**: Review and consideration of a loan to the Narragansett Bay Commission ("NBC") in an amount up to \$36,000,000 out of the Clean Water SRF.

Interim Executive Director Joseph Dewhirst recommended the Bank's Board of Directors accept the loan application from NBC in an amount up to \$36,000,000 out of the Clean Water SRF with the following caveats:

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;

- That the borrower comply with all Federal, State and Agency laws, rules and regulations;
- That a satisfactory loan agreement be signed by all parties to the transaction;
- That the loan will be made subject to availability of funds.

First Southwest reviewed details of NBC's financial condition. NBC seeks to use the proposed \$36,000,000 revenue bond to fund portions of 21 projects, including; Phase III Combined Sewer Overflow facilities design, blower improvements at Field's Point, solar energy projects at Bucklin point, inceptor replacements, and certain costs of issuance, among others. NBC service area is diverse with the top ten users accounting for less than 10% of operating revenues; NBC's ten largest customers include service producers, colleges, universities and regional hospitals. The term of the loan would be 20 years.

The median credit rating for the service area communities is "A." Financial trends include spending below budget, with 19 consecutive years of positive operating results. NBC has demonstrated an excellent collections record and strong liquidity ratios. In March of 2015, Standard and Poor's assigned its "AA-" to the NBC's Series 2015A wastewater system refunding revenue bonds, and affirmed its "AA-" underlying rating on NBC's outstanding wastewater system revenue bonds with stable outlook.

The fiscal year 2017-2021 Capital Improvement Plan includes projects totaling \$155.267 million with additional capital expenditures projected to be \$33.6 million in FY 2016 for a total of \$188.9 million during 2016-2021. As of September 30, 2015, NBC was the largest borrower in the Clean Water program, representing 47.46% of Clean Water loans. NBC is expected to remain at, or just under, 50% of outstanding Clean Water loans.

First Southwest recommended approval of the loan application with the understanding that RIIB will review the request in connection with the DEM Project Priority List, SRF Capacity and the funding requirements of other RIIB borrowers.

Voted: A motion was made by Lisa Ferrara, seconded by Scott Lajoie to approve the loan subject to the following caveats:

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;
- That the borrower comply with all Federal, State and Agency laws, rules and regulations;
- That a satisfactory loan agreement be signed by all parties to the transaction;
- That the loan will be made subject to availability of funds.

Voting in favor of the foregoing: Chair Merrill Sherman, Scott Lajoie, Treasurer Magaziner, and Lisa Ferrara.

Voting against the foregoing: None.

Chair Sherman moved to **Item #8**: Review and consideration of a loan to the Town of Barrington in an amount up to \$3,000,000 out of the Clean Water SRF. Based upon the review prepared by First Southwest, the Bank recommended the Board accept the loan application from the Town of Barrington subject to the following caveats:

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;
- That the borrower comply with all Federal, State and Agency laws, rules and regulations;
- That a satisfactory loan agreement be signed by all parties to the transaction;
- That the loan will be made subject to availability of funds.

First Southwest represented that the town is requesting the funds to finance the closure and capping of Landfill numbers 3 and 4 and to pay certain costs of issuance.

The Town of Barrington is rated "Aa1" by Moody's Investor Service. Credit strengths include health reserve levels, manageable liabilities for pension and OPEB, and sizeable tax base with a wealthy population.

First Southwest recommended approval subject to completion of all legal requirements by the Town with the understanding that the Bank will review the request in connection with the DEM Project Priority List, Bank capacity and the funding requirements of other Bank borrowers.

Voted: A motion was made by Scott Lajoie, seconded by Lisa Ferrara to approve the loan application subject to the following caveats:

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;
- That the borrower comply with all Federal, State and Agency laws, rules and regulations;
- That a satisfactory loan agreement be signed by all parties to the transaction;
- That the loan will be made subject to availability of funds.

Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie, and Lisa Ferrara.

Voting against the foregoing: None

Chair Sherman moved to **Item #9**: Review and consideration of a loan to the Town of Bristol in an amount up to \$2,500,000 out of the Clean Water SRF. Based upon the review prepared by First Southwest, the Bank recommended the Board accept the loan application from the Town of Bristol subject to the following caveats:

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;
- That the borrower comply with all Federal, State and Agency laws, rules and regulations;
- That a satisfactory loan agreement be signed by all parties to the transaction;
- That the loan will be made subject to availability of funds.

The Town is requesting funds to finance sewer system repairs, pump station improvements, removal, other miscellaneous improvements, and to pay certain costs of issuance. The Town is rated "AA+" by Standard & Poor's and First Southwest noted Bristol has strong liquidity and reserves for the town are at 18.2% of operating expenditures in FY '14 showing strong budgetary flexibility.

First Southwest recommended approval subject to completion of all legal requirements by the Town with the understanding that the Bank will review the request in connection with the DEM Project Priority List, Bank capacity and the funding requirements of other Bank borrowers.

Voted: A motion was made by Lisa Ferrara, seconded by Scott Lajoie to approve the loan application subject to the following caveats:

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;
 - That the borrower comply with all Federal, State and Agency laws, rules and regulations;
 - That a satisfactory loan agreement be signed by all parties to the transaction;
 - That the loan will be made subject to availability of funds.
- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner Scott Lajoie, and Lisa Ferrara.
 - Voting against the foregoing: None

Chair Sherman moved to **Item #10:** Review and consideration of a loan to the Town of Burrillville in an amount up to \$2,600,000 out of the Clean Water SRF. Based upon the review prepared by First Southwest, the Bank recommended the Board accept the loan application from the Town of Burrillville subject to the following caveats:

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;
- That the borrower comply with all Federal, State and Agency laws, rules and regulations;
- That a satisfactory loan agreement be signed by all parties to the transaction;
- That the loan will be made subject to availability of funds.

First Southwest indicated that the town was seeking funds to complete the upgrades at the Wastewater Treatment Facility which began last year and to pay certain costs of issuance.

The Town is rated "Aa2/AA" by Moody's and Fitch, respectively. According to First Southwest, the ratings reflect conservative budgeting practices and policies, sound operations

and strong reserves, and stability during volatile levels of state funding despite declines in property values.

First Southwest recommended approval subject to completion of all legal requirements by the Town with the understanding that the Bank will review the request in connection with the DEM Project Priority List, Bank capacity and the funding requirements of other Bank borrowers.

Voted: A motion was made by Scott Lajoie, seconded by Lisa Ferrara to approve the loan application subject to the following caveats:

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;
- That the borrower comply with all Federal, State and Agency laws, rules and regulations;
- That a satisfactory loan agreement be signed by all parties to the transaction;
- That the loan will be made subject to availability of funds.

Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie, and Lisa Ferrara.

Voting against the foregoing: None

Chair Sherman moved to **Item #11**: Review and consideration of a loan to the Town of East Greenwich in an amount up to \$6,000,000 out of the Clean Water SRF. Based upon the review prepared by First Southwest, the Bank recommended the Board accept the loan application from the Town of East Greenwich subject to the following caveats:

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;
- That the borrower comply with all Federal, State and Agency laws, rules and regulations;
- That a satisfactory loan agreement be signed by all parties to the transaction;
- That the loan will be made subject to availability of funds.

First Southwest represented that the Town is seeking funds for the purpose of rehabilitating the Rotating Biological Contractors and other Treatment Plant Improvements.

According to First Southwest, the Town of East Greenwich is rated "Aa1/AA+" stable by Moody's and Standard & Poor's.

First Southwest recommended approval subject to completion of all legal requirements by the Town with the understanding that the Bank will review the request in connection with the DEM Project Priority List, Bank capacity and the funding requirements of other Bank borrowers.

Chair Sherman inquired regarding undrawn \$900K previously borrowed by the municipality and asked whether or not they are moving forward with the project. Robin Hedges represented that

inquiries were being made to the town regarding the undrawn funds and due diligence would be conducted by bank staff.

Voted: A motion was made by Treasurer Magaziner, seconded by Lisa Ferrara to approve the loan application subject to the following caveats.

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;
- That the borrower comply with all Federal, State and Agency laws, rules and regulations;
- That a satisfactory loan agreement be signed by all parties to the transaction;
- That the loan will be made subject to availability of funds.

Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie, and Lisa Ferrara.

Voting against the foregoing: None.

Chair Sherman moved to **Item #12: Expenses**. Review and consideration of a loan to the town of North Kingstown in an amount up to \$5,000,000 out of the Clean Water SRF. Board Member Lisa Ferrara recused herself from this matter. Based upon the review prepared by First Southwest, the Bank recommended the Board accept the loan application from the Town of North Kingstown subject to the following caveats:

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;
- That the borrower comply with all Federal, State and Agency laws, rules and regulations;
- That a satisfactory loan agreement be signed by all parties to the transaction;
- That the loan will be made subject to availability of funds.

First Southwest indicated that the town is seeking funding to finance the Wickford Village Commercial Area project, and to pay certain costs of issuance.

First Southwest represented that the Town of North Kingstown is rated "Aa2" by Moody's Investors Service and AA+ by Standard & Poor's. Credit strengths include sizable tax base and wealth levels, satisfactory reserve levels, and a manageable debt burden.

First Southwest recommended approval subject to completion of all legal requirements by the Town with the understanding that the Bank will review the request in connection with the DEM Project Priority List, Bank capacity and the funding requirements of other Bank borrowers.

Voted: A motion was made by Scott Lajoie, seconded by Treasurer Magaziner to approve the loan application subject to the following caveats.

- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, and Scott Lajoie.

- Voting against the foregoing: None
- Lisa Ferrara recused herself from this matter.

Chair Sherman moved to **Item #13**: Review and consideration of a loan to the Town of Warren in an amount up to \$1,700,000 out of the Clean Water SRF. Based upon the review prepared by First Southwest, the Bank recommended the Board accept the loan application from the Town of Warren subject to the following caveats:

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;
- That the borrower comply with all Federal, State and Agency laws, rules and regulations;
- That a satisfactory loan agreement be signed by all parties to the transaction;
- That the loan will be made subject to availability of funds.

The Town of Warren last sought funding approximately 10 years ago and is requesting funds to finance the design and engineering related to the wastewater treatment facility upgrade, which is required by a consent decree, and pay certain costs of issuance. The total cost of the project is projected to be \$20-\$22 million.

According to First Southwest, the Town of Warren is rated "Aa3" by Moody's Investor Service. This rating reflects the Town's moderately sized tax base, average wealth and income levels, and sound reserve levels with a manageable debt position.

First Southwest recommended approval subject to completion of all legal requirements by the Town with the understanding that the Bank will review the request in connection with the DEM Project Priority List, Bank capacity and the funding requirements of other Bank borrowers.

Voted: A motion was made by Lisa Ferrara, seconded by Scott Lajoie to approve the loan application subject to the following caveats:

- That all projects to be funded appear on the Department of Environmental Management's Project Priority List and have Certificates of Approval issued;
- That the borrower comply with all Federal, State and Agency laws, rules and regulations;
- That a satisfactory loan agreement be signed by all parties to the transaction;
- That the loan will be made subject to availability of funds.
- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie, and Lisa Ferrara.
- Voting against the foregoing: None.

Chair Sherman moved onto **Item #14**: Selection and engagement of Bank bond counsel for 2016-17. Treasurer Magaziner recused himself from this matter.

Interim Executive Director Dewhirst represented that an RFP had been issued for bond counsel and the Bank received one response from Nixon Peabody. He further indicated that their proposal was substantially the same as in the past with a two year engagement.

Lisa Ferrara inquired regarding fee schedule and Mr. Dewhirst indicated that it was a slight increase over their last engagement both for fees and hourly rate. He also indicated that Nixon Peabody provides a 15% discount on their hourly fee.

Voted: A motion was made by Scott Lajoie, seconded by Lisa Ferrara to approve Nixon Peabody as Bond Counsel for the Rhode Island Infrastructure Bank pursuant to the terms of the RFP response.

- Voting in favor of the foregoing: Chair Merrill Sherman, Lisa Ferrara, and Scott Lajoie.
- Voting against the foregoing: None.
- Treasurer Magaziner recused himself from this matter.

Chair Sherman moved onto **Item #15:** Consideration and renewal of engagement letter for Bank general counsel. Treasurer Magaziner recused himself from this matter. Chair Sherman made brief comments commending the work performed by Harrington & Vitale.

Voted: A motion was made by Lisa Ferrara, seconded by Scott Lajoie to approve Harrington & Vitale as Legal Counsel for the Rhode Island Infrastructure Bank.

- Voting in favor of the foregoing: Chair Merrill Sherman, Lisa Ferrara, and Scott Lajoie.
- Voting against the foregoing: None.
- Treasurer Magaziner recused himself from this matter.

Chair Sherman moved onto **Item #16:** Review and approval of Memorandum of Understanding with Commerce RI and Office of Energy Resources re: ARRA funds.

Joseph Dewhirst discussed that the Bank is, in the development of the Efficient Buildings Fund and in collaboration with the Office of Energy Resources (“OER”), in the process of conducting energy audits for municipalities to identify energy saving measures in buildings that are owned by municipalities and school districts throughout the state. OER previously received Federal funds from the ARRA-State Energy Program and subsequently transferred the funds to the Rhode Island Commerce Corporation. Since that time, OER received approval from the US Dept. of Energy to move \$500,000 of the ARRA funds from the Rhode Island Commerce Corporation to the RIIB in order to fund energy audits in publicly owned buildings.

Accordingly, RIIB is seeking approval from the Board of Directors to receive said funds and pay for energy audits benefitting the Efficient Buildings Fund eligible projects.

Voted: A motion was made by Lisa Ferrara, seconded by Treasurer Magaziner to approve the MOU by and between the Rhode Island Department of Administration, Office of Energy Resources, the Commerce Corporation, and the Rhode Island Infrastructure Bank authorizing the transfer of \$500,000 in ARRA funds to the RIIB from the Commerce Corporation.

- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie and Lisa Ferrara.
- Voting against the foregoing: None.

Chair Sherman moved onto **Item #17:** Review and approval of a Resolution re: Investment of Bank funds.

Interim Executive Director Dewhirst stated that the creation of a new investment policy is being developed and until a formal policy is adopted, he is developing an interim plan to address the investments of Bank operating funds. Accordingly, Mr. Dewhirst proposed receiving authorization to invest Bank operating funds in longer duration instruments, securities and/or funds that are consistent with state law and prudence.

Voted: A motion was made by Treasurer Magaziner, seconded by Lisa Ferrara to approve the Board Resolution:

1. To authorize the Bank, acting by and through its Executive Director and Chief Financial Officer, to invest any Bank funds that are not required for immediate disbursement in obligations issued or guaranteed by the U.S. government or any of its agencies or instrumentalities and/or in repurchase agreements fully collateralized by such securities.
2. These investments may be made directly by purchases of such securities and repurchase agreements or indirectly by purchases of funds, including both traditional mutual funds and also exchange-traded funds that invest solely in such permitted securities and repurchase agreements.

- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie and Lisa Ferrara.
- Voting against the foregoing: None.

Chair Sherman moved onto **Item #18:** New Bank programs update.

Director Dewhirst stated that the Bank, working closely with the Department of Environmental Management, has submitted a grant proposal to the EPA for a Brownsfield Grant request of \$1,000,000. The grant application included over ten letters of support from municipalities and community organizations. Mr. Dewhirst further indicated that the Bank will know if they are awarded the grant by May 2016.

Next, Director Dewhirst indicated that the Efficient Buildings Fund Program officially launched on December 2, 2015 with an event at Rhode Island College. The program has seen great interest from both municipalities and school departments. Energy audits will be conducted on 54 buildings and all will be completed prior to the application deadline. The audits are an even mix of municipal buildings and school buildings and he further stated that solar developers and energy efficiency contractors have expressed a strong interest in the program.

Mr. Dewhirst next briefed the board regarding the Residential PACE program. He stated that the Bank has slowed implementation of the Residential PACE program and is awaiting guidance anticipated to be issued in 2016 by FHA/FHFA. The Bank has also been reviewing bids from and interviewing potential administrators for the program. No action was necessary for this Agenda Item.

Chair Sherman moved onto **Item #19**: Approval of Bank staff attendance at a national PACE conference in Colorado in February, 2016.

The Bank would like to send staff member Michael Baer to a national PACE conference in Colorado in February, 2016. Anticipated expenses were provided to the board.

Voted: A motion was made by Lisa Ferrara, seconded by Scott Lajoie to approve the expenditure of funds for Bank staff to attend the PACE conference in Colorado.

- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie and Lisa Ferrara.
- Voting against the foregoing: None.

Chair Sherman moved onto **Item #20**: Update on Bank Drinking Water SRF and Pawtucket Refunding Conduit Bonds.

First Southwest indicated that the Pawtucket refunding qualified for bond insurance resulting in substantial savings to the municipalities served by the Pawtucket Water Supply Board. The replacement of the debt service reserve fund with a surety allowed Pawtucket Water to utilize an additional \$2.7 million and downsize the bond issuance for cash flow savings of over \$9 million.

First Southwest reviewed the sales statistics with the Board and indicated Pawtucket was very pleased with the results of the transaction.

The next issue that First Southwest addressed were the Drinking Water SRF bonds for Providence Water and Cumberland that priced on December 2, 2015 and were able to lower yield from the preliminary pricing 2-4 basis points. No action was necessary for this agenda item.

Chair moved onto **Item #21**: Expenses.

Mike Larocque presented the current expenses for the Bank.

Voted: A motion was made by Scott Lajoie, seconded by Lisa Ferrara to approve the Bank expenses as presented.

- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie and Lisa Ferrara.
- Voting against the foregoing: None.

Chair moved onto **Item #22:** Adoption of meeting schedule for 2016.

Scott Lajoie recommended moving the start time for future Board meetings from 3:30 to 3:00pm

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Voted: A motion was made by Scott Lajoie, seconded by Treasurer Magaziner to approve the 2016 Board meeting calendar as presented with a 3:00pm start time.

- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie and Lisa Ferrara.
- Voting against the foregoing: None.

Chair moved onto **Item #23:** Next regularly scheduled meeting date, January 25, 2016.

No action was necessary for this Agenda Item.

Chair Sherman entertained a motion to adjourn the meeting.

Voted: A motion was made by Scott Lajoie, seconded by Lisa Ferrara to adjourn the meeting.

- Voting in favor of the foregoing: Chair Merrill Sherman, Treasurer Magaziner, Scott Lajoie and Lisa Ferrara.
- Voting against the foregoing: None.

The meeting adjourned at approximately 5:40 p.m.